

**This circular is sent to you as an investor in Franklin Floating Rate Fund plc. It is important and requires your immediate attention. If you are in any doubt as to the action to be taken, you should immediately consult your stockbroker, bank manager, solicitor, attorney or other professional adviser. If you have sold or otherwise transferred your holding in Franklin Floating Rate Fund plc, please send this circular (or, if applicable, a copy) and the accompanying letter of directions to the stockbroker, bank manager, or other agent through whom the sale was effected for transmission to the purchaser or transferee.**

**This circular has not been reviewed by the Central Bank of Ireland (the “Central Bank”) or the Securities and Futures Commission of Hong Kong (the “SFC”) and it is possible that changes hereto may be necessary to meet the requirements of the Central Bank. Any such changes will, where necessary, be notified to investors after the relevant prior approval from the Central Bank and the SFC is obtained. The Directors of Franklin Floating Rate Fund plc are of the opinion that there is nothing contained in this Circular nor in the proposals detailed herein that conflicts with the guidance notes issued by and regulations of the Central Bank and the SFC.**

25 November 2016

*To: Participants in the Franklin Floating Rate Fund plc (the “Company”)*

### **Circular for Annual General Meeting**

As an investor in the Company, you will be aware that, for administrative purposes, your shareholding is currently registered in the name of Templeton Global Advisors Limited (the “**Nominee**”).

Enclosed with this letter, you will find a notice of the Company’s Annual General Meeting (“**AGM**”) to be held at 4.00 p.m. (Irish time) on 12 January 2017, at J.P. Morgan, J.P. Morgan House, International Financial Services Centre, Dublin 1, Ireland.

As the beneficial owner of shares in the Company, you can, by completing the Letter of Directions to Participants attached, attend the AGM or instruct the Nominee to attend the AGM on your behalf and exercise your votes in a particular fashion.

In order to be effective, the completed Letter of Directions to Participants must be received by the Hong Kong Representative (Franklin Templeton Investments (Asia) Limited) at its office at 17/F, Chater House, 8 Connaught Road Central, Hong Kong, no later than 5:00 p.m. (Hong Kong time) on 5 January 2017.

### **Amendments to the Memorandum and Articles**

In addition to the regular business to be conducted at the AGM, the further purpose of the AGM is to seek approval, by way of special resolution, for the Memorandum and Articles of Association of the Company to be amended in order to update all legislative and regulatory references throughout further to, and in accordance with, the Companies Act 2014.

Substantially all of the provisions of the Companies Act 2014 became effective on 1 June 2015. The purpose of this special resolution is to:

- amend the Memorandum and Articles and adopt revised Memorandum and Articles for the Company so that they do not refer to repealed legislation;
- take account of the comprehensive consolidation, with amendments, of company law in Ireland effected by the Act; and
- make some consequential and “housekeeping” changes.

Accordingly, we, on behalf of the Directors of the Company (the “**Directors**”), are writing to you as an investor of the Company to seek your approval of the proposed amendments to the Memorandum and Articles. A blackline of the proposed amended Memorandum and Articles of the Company, for which we are seeking your approval, is attached as Appendix I hereof.

The Directors consider the proposed changes to the Memorandum and Articles to be in the best interests of the Company and the investors as a whole and recommend that you approve the resolution by completing the attached Letter of Directions.

Subject to your approval, the effective date of the changes to the Memorandum and Articles is 12 January 2017.

### **Annual Report and Audited Financial Statements**

The Annual Report and Audited Financial Statements of the Company for the accounting year ended 31 July 2016 is available (in English only) on the website of the Hong Kong Representative at [www.franklintempleton.com.hk](http://www.franklintempleton.com.hk). You may also obtain a hard copy of the Annual Report and Audited Financial Statements free of charge at the office of the Hong Kong Representative.

If you have any questions, please do not hesitate to contact your investment consultant or call our Investor Hotline at +852 2805 0111.

Thank you for your continuing support of Franklin Floating Rate Fund plc.

Yours faithfully,

For and on behalf of  
**Franklin Templeton Investments (Asia) Limited**  
富蘭克林鄧普頓投資(亞洲)有限公司



David Chang  
Director

**FRANKLIN FLOATING RATE FUND PLC**

**(the “Company”)**

This document is important and requires your immediate attention. If you are in doubt as to the action you should take, you should seek advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser. If you have sold or transferred all of your shares in Franklin Floating Rate Fund plc please pass this document at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee as soon as possible.

**This document has not been reviewed by the Central Bank of Ireland (the “Central Bank”) or the Securities and Futures Commission of Hong Kong (the “SFC”) and it is possible that changes thereto may be necessary to meet the requirements of the Central Bank. The Directors are of the opinion that there is nothing contained in this Circular nor in the proposals detailed herein that conflicts with the guidance notes issued by and regulations of the Central Bank and the SFC.**

*Registered Office*  
JP Morgan House  
International Financial Services Centre  
Dublin 1  
Ireland

**NOTICE OF ANNUAL GENERAL MEETING OF THE COMPANY**

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at J.P. Morgan, J.P. Morgan House, International Financial Services Centre, Dublin 1, Ireland on 12 January 2017, at 4.00 pm (Irish time) for the transaction of the following business:

Ordinary Business:

1. To read the Notice convening the meeting;
2. To receive the Directors’ Report and the Audited Accounts for the period ended 31 July 2016 together with the Auditors’ Report thereon; and
3. To note the re-appointment of PricewaterhouseCoopers, Chartered Accountants, as auditors of the Company to hold office until the conclusion of the next Annual General Meeting at which accounts are laid before the Company and to note the authorisation of the Directors to agree to the remuneration of the auditors.

Special Business:

1. To approve that the Memorandum and Articles of the Company be amended as more particularly set out in the Circular to investors dated 25 November 2016, subject to the incorporation of any further amendments as may be required by the Central Bank, the Irish Stock Exchange and/or any Director of the Company.

**Dated 25 November 2016**

*For and on behalf of*

**J.P. Morgan Administration Services (Ireland) Limited**



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Note: A member entitled to attend and vote at the above meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company.

Registered in Dublin, Ireland – No. 316174

**ANNUAL GENERAL MEETING OF  
FRANKLIN FLOATING RATE FUND PLC**

**LETTER OF DIRECTIONS TO PARTICIPANTS**

To: Templeton Global Advisors Limited (the "Nominee")

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IF PARTICIPANT NAME AND ADDRESS NOT SHOWN, PLEASE COMPLETE IN BLOCK CAPITALS.

JOINT PARTICIPANTS, PLEASE SEE NOTE 1.

With reference to the Annual General Meeting of Franklin Floating Rate Fund plc to be held on 12 January 2017 at 4.00 pm (Irish time) at J.P. Morgan, J.P. Morgan House, International Financial Services Centre, Dublin 1, Ireland and at any adjournments thereof.

PLEASE DELETE EITHER (a) or (b)

(a) I/we wish to attend the above meeting and I/we hereby request you to appoint me/us as your proxy in respect of the Shares owned by me/us to enable me/us to attend and on a poll, to vote at the meeting.

OR

(b) I/we hereby advise you that as a participant in the Franklin Floating Rate Fund plc, I/we wish you to attend the meeting on my/our behalf and I/we wish the votes attached to the Shares owned by me/us to be exercised on the resolutions to be put to the meeting as indicated by a cross in the appropriate box below either for or against each resolution.

Ordinary Resolution	In Favour	Abstain	Against
1) To receive the Directors' Report and the Audited Accounts for the period ended 31 July 2016 together with the Auditors' Report thereon.			
2) To note the re-appointment of PricewaterhouseCoopers, Chartered Accountants, as auditors of the Company to hold office until the conclusion of the next Annual General Meeting at which accounts are laid before the Company and to note the authorisation of the Directors to agree to the remuneration of the auditors.			
Special Resolution	In Favour	Abstain	Against
1) To approve that the Memorandum and Articles of the Company be amended as more particularly set out in the Circular to investors dated 25 November 2016, subject to the incorporation of any further amendments as may be required by the Central Bank, the Irish Stock Exchange and/or any Director of the Company.			

Signed.....

Dated .....

Notes:

1. In the case of joint participants, this Letter of Directions must be signed by them all although only the name standing first in the Nominee's records should be stated in block capitals.
2. To be effective, this Letter of Directions must reach the office of the Hong Kong Representative (Franklin Templeton Investments (Asia) Limited) at 17/F, Chater House, 8 Connaught Road Central, Hong Kong, no later than 5:00 p.m. (Hong Kong time) on 5 January 2017. The Letter of Directions may also be returned by fax (fax no. +353 1 845 8634) for the attention of Ms Miko Campbell not less than 48 hours before the commencement of the AGM or any adjourned AGM thereof.
3. If you select option (a), arrangements will be made for you to attend the Annual General Meeting as a proxy of the Nominee and an attendance card will be sent to you.